Energy Subcommittee
Meeting Agenda

46th Annual Meeting | Austin, Texas
Wednesday, August 14, 2019
8:30 AM – 9:30 AM

8:30 AM **Call to Order, Welcome and Introductions**
Stephen Higley, Marathon Petroleum

8:35 AM **Economic and Societal Benefits of Fracking**
Brian Isom, Center for Growth and Opportunity

9:00 AM **Wireless Electricity Policy Discussion**
Representative Mark Finchem, Arizona House of Representatives

Environment Subcommittee
Meeting Agenda

46th Annual Meeting | Austin, Texas
Wednesday, August 14, 2019
9:30 AM – 10:30 AM

9:30 AM **Call to Order, Welcome and Introductions**
Representative Mark Finchem, Arizona House of Representatives

9:35 AM **Recycling Solar Panels and Batteries Policy Discussion**
Mr. Colin Meehan, First Solar
Representative Mark Finchem, Arizona House of Representatives

10:00AM **Federal and State Chemical Regulation: PFAS**
Mr. Rudy Underwood, American Chemistry Council

Agriculture Subcommittee
Meeting Agenda

46th Annual Meeting | Austin, Texas
Wednesday, August 14, 2019
10:30 AM – 11:30 AM

10:30 AM **Call to Order, Welcome and Introductions**
Stephen Higley, Marathon Petroleum

10:35 AM **Ensuring Agricultural Productivity and Food Security**
Dr. Eliza Dunn, Bayer

11:00 AM **Agricultural Trade Discussion**
Daniel Griswold, Mercatus Center

11:30 AM **For the Good of the Order and Adjournment**

Energy, Environment and Agriculture Task Force
Tentative Meeting Agenda

46th Annual Meeting | Austin, Texas
Friday, August 16, 2019
9:15 AM – 12:15 PM

9:15 AM **Call to Order, Welcome and Introduction**
Representative Mike Kuglitsch, Wisconsin State Assembly
Ms. Jennifer Jura, Edison Electric Institute

9:20 AM Panel: **The Green New Deal and Responses?**
Dr. *Kevin Dayaratna, Heritage Foundation*
Mr. Charles Hernick, Citizens for Responsible Energy Solutions

10:10 AM Model Policy: **Hemp and CBD Legalization**
Senator Doug Ericksen, Washington Senate

10:30 AM Model Resolution: **Supporting Energy Freedom**
Representative David Eastman, Alaska House of Representatives

10:50 AM Presentation: **Water Development Boards and State Legislatures**
Brook Paup, *Texas Water Development Board*

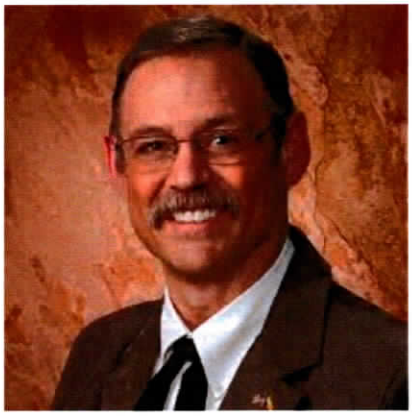
11:15 AM Presentation: **Federal Energy and Environmental Regulations Impacting the States**
Michael Nasi, Jackson Walker

11:45 AM Panel: **Legislator Round Table**
Senator Sine Kerr, Arizona Senate
Representative Brad Buckley, Texas House of Representatives

12:15 PM **For the Good of the Order and Adjournment**

Subcommittee Speakers

Brian Isom is a research manager at the Center for Growth and Opportunity at Utah State University. His role is heavily focused on collaboration with outside scholars and mentoring the center's student research fellows. Brian is currently finishing his masters of economics degree at USU. His past research has covered issues relating to the regulation of nuclear energy, institutional impacts on wildfire management, the economic impacts of hydraulic fracturing, institutional water management in the western U.S., and the effects of renewable mandates on state economies. Brian is an avid outdoorsman and as such is keenly interested in the way public policy affects all aspects of the environment.

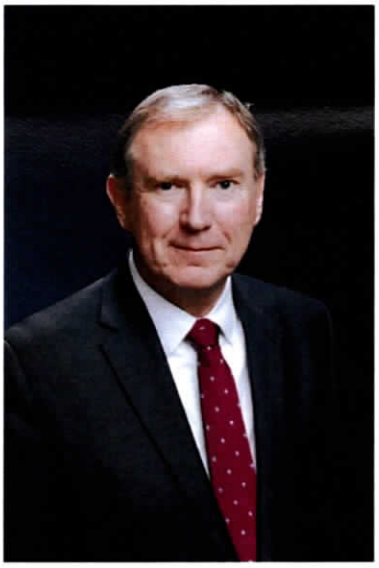


Mark Finchem was born in Detroit Michigan and grew up for the most part in southwestern Michigan, a town known in stage and song as Kalamazoo. Upon graduation from high school there he joined the Kalamazoo Fire Department as a Firefighter/Paramedic. In 1984, after graduating with High Honors with a degree in Criminal Justice, and 2nd in his class from the SW Regional Police Academy, he entered the combined service Public Safety Program. Mr. Finchem served 21 years as a Public Safety Officer providing emergency medical, fire suppression and law enforcement services. During much of his career in the Public Safety Department, Mr. Finchem was also a rancher living in the small hamlet of Delton Michigan. Upon retirement he moved to Tucson Arizona. Elected to represent the 11th Legislative District in the 52nd Arizona Legislature Mr. Finchem, a freshman, has introduced a line of constitutionally sound bills including a gold and silver bullion "legal tender", state level protection of public rights-of-way, repeal and replacement of Common Core and a state treasurers payment consolidation bill to streamline consumer interactions, reduce cost and improve efficiency.

Colin Meehan manages First Solars' state level energy policy for First Solar. Headquartered in Tempe, AZ, First Solar is the largest U.S. manufacturer of solar PV modules with over 20,000 MW of modules installed globally. In Colin's role he leads a team engaging in state legislatures and regulatory Commissions throughout the U.S. to grow markets for large-scale solar through energy policy. Colin currently serves as Chair of the Large-scale Solar Association and sits on the Technical Advisory Committee for the Electric Reliability Council of Texas (ERCOT). In over 15 years working on energy policy Colin has lead Comverge, Inc.'s demand response regulatory and market strategy throughout several states; served as Environmental Defense Fund's Policy Manager for U.S. Climate and Energy; as ICF Consulting's lead analyst developing the RGGI model rule; and as Wholesale Settlement Analyst for the Lower Colorado River Authority focusing on ERCOT nodal market implementation. Mr. Meehan has a Bachelor of Arts degree in Math and Economics from the University of Rochester and a Master of Science degree in Energy and Earth Resources from the University of Texas at Austin.

Rudy Underwood. As Vice President of State Affairs and Political Mobilization, Mr. Underwood helps ACC staff prioritize and define roles and positions on key state and local legislative proposals impacting chemicals and plastics. He also provides guidance for ACC's political engagement activities and facilitates strong relationships and synergy with independent state chemical industry councils. Previously, Mr. Underwood was the Senior Director of State Affairs in ACC's Southern Region Office where he represented the chemical and plastics industries before state legislatures in 14 southern states. He has over 30 years of experience managing public affairs, public policy and public relations issues. Prior to joining ACC, Mr. Underwood served as the Legislative Director for the Georgia Farm Bureau Federation, worked on Capitol Hill in the U.S. Senate and has directed statewide issue and candidate campaigns. Presently, Mr. Underwood serves on the Southern States Energy Board and the Cobb Electric Membership Corporation's Board of Directors, which is the fourth largest electrical cooperative in the United States. Mr. Underwood received both a Bachelor and Master degree in public and organizational communications from the University of Georgia. He grew up on a small farm in South Georgia.

Dr. S. Eliza Dunn (Halcomb) is a practicing Emergency Medicine physician and Medical Toxicologist with a long-standing interest in Global Health. After completing her Toxicology Fellowship at NYU in 2006, Dr. Dunn returned to Washington University in St. Louis and started an ACGME accredited fellowship in Medical Toxicology. Over the following ten years, Dr. Dunn became increasingly involved with Global Health and Humanitarian relief projects. She organized a relief mission to Haiti after the 2010 earthquake, started the scholar track in Global Health for the Washington University Division of Emergency Medicine, and is one of the Global Health Scholars for the Department of Internal Medicine. As an adjunct professor in the Department of Anthropology, Dr. Dunn taught a course entitled "Medicine East and West" which compared the medical system in the USA with the medical system in China. This was a foundation course that established an exchange program for pre-medical students from Washington University to spend a semester at Fudan University in Shanghai, China. In July of 2016, Dr. Dunn started working as the Medical Outreach Lead for Monsanto, a global seed company with innovative technology that has great potential to remediate malnutrition. She remains on the faculty of Washington University and is still an active member of the Toxicology team. She has lectured nationally and internationally on a diverse range of topics in medical toxicology and global health.



Daniel Griswold is a Senior Research Fellow at the Mercatus Center at George Mason University and Co-Director of its Trade and Immigration Project. Griswold is a nationally recognized expert on trade and immigration policy. He is the author of the 2009 book, *Mad about Trade: Why Main Street America Should Embrace Globalization.* He has authored numerous studies, testified before congressional committees, commented for CNBC, CSPAN, Fox News and other TV and radio outlets, and written articles for *The Wall Street Journal,* the *Los Angeles Times,* and other publications.

Griswold holds a bachelor's degree in journalism from the University of Wisconsin at Madison and a Masters in the Politics of the World Economy from the London School of Economics and Political Science.

Taskforce Speakers

Kevin D. Dayaratna specializes in tax, energy and health policy issues as Senior Statistician and Research Programmer in The Heritage Foundation's Center for Data Analysis (CDA). An applied statistician, he has researched and published on the use of high-powered statistical models in public policy, medical outcomes, business, economics, and even professional sports.Dayaratna grew up in Princeton Junction, N.J. He did his undergraduate work at the University of California, Berkeley, majoring in applied mathematics with a specialty in mathematical physics. He also holds two masters degrees from the University of Maryland, one in business and management and the other in mathematical statistics. In 2014, Dayaratna completed his Ph.D. in mathematical statistics from the University of Maryland with specialties in Bayesian modeling and statistical computing. His doctoral dissertation was titled "Contributions to Bayesian Statistical Modeling in Public Policy Research." Dayaratna interned at Heritage in 2012. In his spare time, he enjoys playing tennis and watching professional sports.

Charles Hernick is the Director of Policy and Advocacy at Citizens for Responsible Energy Solutions (CRES) in Washington DC. Charles leads CRES Forum's policy work and executes strategies to advance clean energy solutions and innovative approaches to reducing carbon emissions. Charles is an energy expert who understands emerging clean technologies, market barriers, and policies and regulations. For over a decade he has worked at the crossroads of economic development, energy, and natural resource management across the U.S. and on the ground in over a dozen countries in Africa, Latin America, and the Caribbean. Before joining CRES, he advised executive-level decision-makers at the U.S. Environmental Protection Agency and U.S. Agency for International Development on energy and environmental issues, and identified project-level opportunities for clean energy expansion.He is also a climate change expert who has integrated climate change considerations into U.S. government programs and policies and has authored climate mitigation and adaptation best practice guidelines for over a dozen development sectors.

Charles was the Republican candidate for U.S. House of Representatives in Virginia's 8th Congressional District in the November 2016 election. He routinely advises candidates seeking public office on energy and economic growth. He is a frequent guest on radio shows and webcasts, in university classrooms, and at international workshops to discuss clean energy and associated economic, national security, and environmental issues. He conducts interviews in English or Spanish. Charles as an M.A. in International Relations and Environmental Policy from Boston University and a B.S. in Ecology, Evolution, and Behavior from the University of Minnesota.

Senator Doug Ericksen
Born and raised in Whatcom County, Doug Ericksen has been bringing hometown values and solutions to Olympia since 1998. After serving six terms in the House, he was elected to the Senate in 2010. Senator Ericksen represents Whatcom County's 42nd District, from Bellingham to the Canadian borderSenator Ericksen is ranking minority member on the Senate Energy, Environment and Technology Committee. He also serves on the Higher Education and Workforce Development Committee. His legislative priorities include providing solutions to keep energy prices low, create jobs and enhance our quality of life.Doug received a bachelor's degree from Cornell University and a master's from Western Washington University. He and his wife Tasha, a high-school teacher, are raising their two daughters in Ferndale.

Representative David Eastman grew up the son of an entrepreneur and small business owner in Orange County, California. He studied law at West Point, and after graduating was given his first choice of military assignments. Pursuing his lifelong dream of becoming an Alaskan, he chose the Last Frontier. As a Military Police Captain stationed at Fort Richardson from 2003-2011, he prepared soldiers for deployments to Iraq and Afghanistan, and himself led troops in Afghanistan. He served as Provost Marshal of Camp Eggers in Kabul, Afghanistan, was appointed as a military summary court martial judge, and served as the AFIC Anti-Terrorism Branch Chief for the 56th Presidential Inaugural in Washington DC. David is the first member of his family ever to serve in elected office. He brings a fresh perspective to the legislature not only as a military veteran, but also as someone dedicated to sharing the lessons he learned as the son of an entrepreneur, a mindset he adopted early in life. He has been a member of the Alaska law enforcement community since 2003. Active in community service, he was chosen as an Alaska state volunteer of the year by First Lady Sandy Parnell in 2010. He is currently a Mat-Su Firefighter/EMT and a member of the Mat-Su Water Rescue and Hazmat Teams. He lives in Wasilla with his wife Jennifer and their two daughters.

Brooke Paup was appointed to the Texas Water Development Board by Governor Greg Abbott on February 22, 2018, and reappointed to a new term on February 6, 2019.Prior to her appointment to the Board, Paup served as the director of legislative affairs for the Texas Comptroller of Public Accounts for the previous three years. While there, she led a team of legislative professionals to address statutory tax reforms.

Paup is formerly the deputy division chief of intergovernmental relations and former special assistant for policy and research for the Office of the Attorney General, where she worked on legislative issues, special litigation, and public finance—notably House Bill 4 and Senate Joint Resolution 1 in the 83rd Legislative Session, which created the State Water Implementation Fund for Texas (SWIFT) and the State Water Implementation Revenue Fund for Texas (SWIRFT). Paup has 13 years of state government experience.She is a member of the State Bar of Texas, Symphony League, Wine and Food Foundation of Texas Auction Committee, and Doss PTA. Paup earned a bachelor of arts from Texas A&M University and a juris doctor from Texas Tech School of Law.

She lives in Austin with her husband, Spivey, and their two children, Henry and Heidi.

Mike Nasi is a partner with Jackson Walker LLP where he practices environmental and energy law. Mike has been practicing before state and federal environmental and energy agencies and appellate courts for 24 years. Mike's compliance counseling, permitting, and enforcement defense work spans the following federal (and related state) programs: Clean Air Act, Clean Water Act, Solid Waste Disposal Act, Endangered Species Act, and National Environmental Policy Act. Mike is often asked to play a strategic planning role on behalf of his clients in the midst of large, complex project developments.

Mike is counsel for parties in ongoing EPA regulatory proceedings relating to carbon dioxide, interstate air quality, regional haze, and coal combustion residuals, including appeals pending before the United States Courts of Appeals for the Fifth, Eighth, Tenth, and D.C. Circuits, as well as the Supreme Court of the United States. Mike helps coordinate multi-state outreach efforts regarding these and other regulations impacting the electric power and mining sectors, appears at hearings and energy policy events across the country, and is published in several trade, law, and business journals on environmental law and energy policy topics.

Mike is a past Chairman of the State Bar of Texas Environmental and Natural Resources Law Section and serves on the faculty for Rice University's "Leadership & Decision Making in the Energy Industry" course and as a guest lecturer in the "Energy Law & Policy" course at the University of Texas Law School.

Mike is consistently recognized on several "Who's Who" and "Best Lawyer" lists and was recently awarded the "Energy and Environmental Trailblazer Award." Mike is the Chairman of the Central Texas Salvation Army Advisory Board and is a Board Member for the West Austin Youth Association (WAYA).

Senator Sine Kerr was first appointed to the senate on January 4, 2018, and was subsequently elected on November 8th 2018. Her district covers portions of western Maricopa County and portions of Yuma County which includes approximately 220,000 residents. Senator Kerr, along with her husband, Bill, have owned and operated their 4 generation dairy farm since 1980. She previously served as State Chair of the Arizona Farm Bureau Women's Leadership Committee, Chair of the Arizona Department of Agriculture's Food and Policy Advisory Committee, Maricopa County Department of Air Quality Hearing Board, and a member of the Buckeye Valley Chamber of Commerce. Her passion as a small business and dairy farm owner serves her well on the senate committees in which she serves; Water and Agriculture (Chair), Natural Resources and Energy (Vice-Chair), Transportation and Public Safety, Appropriations, Joint Committee on Capitol Review, and Senate Ethics.

Representative Brad Buckley was elected to the Texas House of Representatives in November of 2018 represent House District 54, which includes part of Bell County and all of Lampasas County in Central Texas. He currently serves on the House Appropriations committee, the Agriculture & Livestock committee, and the Local and Consent Calendars committee.

A native Texan, Buckley was born and raised in rural Bell County and is a product of Killeen ISD schools. He is a proud Texas Aggie, and received his bachelor's degree in 1989 and his Doctorate of Veterinary Medicine in 1993. After graduating, he returned to his hometown of Killeen to open his veterinary practice and has been serving his community and their pets since 1994. He has served on the school board for the Killeen Independent School District and is a past Chair of the Greater Killeen Chamber of Commerce, former board member for Peaceable Kingdom Retreat for Children, and currently serves as vice-chair of 14Forward, an economic development initiative to bring greater economic impact to the Greater Fort Hood area.

He is the proud husband of Dr. Susan Buckley, who is a career educator and currently serves as Executive Director of Secondary Schools for the Killeen Independent School District, and proud father of Emily, Erin, and Bo, all of whom are also Aggies. Representative Buckley and Susan live on their ranch in Salado, where he raises, shows, and trains cutting horses.

RESOLUTION SUPPORTING FREEDOM IN ENERGY POLICY

This model resolution supports the principles of freedom by consumers and corporations in energy for their own economic benefit and firmly rejects socialist and anti-capitalist approaches described in the Green New Deal. Liberals have introduced a proposal that seeks to reinvent the American economy by growing the size of government to impose mandates on the energy sector, reduce transportation choices, and raise the costs on energy for households. This is fundamentally un-American and ignores the role of market forces driving increased production and use of natural gas. It also ignores sovereign decisions by states and corporations to chose clean energy. For example, Budweiser now brews all beer in the U.S. with 100 percent renewable power. And Walmart is underway to achieve a goal of avoiding one billion metric tons (a gigaton) of greenhouse gases from their global value chain by 2030.

Whereas, the ability of individuals and businesses to participate in a free market is a foundational component of the American experience

Whereas, to the greatest extent possible these freedoms should extend to electricity and energy markets

Whereas, as a result of state, local, corporate, and individual decisions the United States leads the world in gross emissions reductions and the nation's greenhouse gas emissions have decreased approximately 10 percent since 2005.

Whereas, United States—
(1) energy productivity has grown 14 percent since 2009;
(2) total production of natural gas has increased by 56 percent since 2009; and
(3) installed wind and solar power capacity has quadrupled since 2009;

Whereas, energy prices in the United States are historically low, and energy costs make up less than 5 percent of total United States personal consumption expenses;

Whereas, in 2018, United States businesses set records by—
(1) tripling corporate procurement of clean energy;
(2) increasing liquified natural gas exports by 135 percent; and
(3) increasing sales of electric vehicles by 80 percent;

NOW, THEREFORE, BE IT *RESOLVED*, THAT

(A) Proposals like the Green New Deal be squarely and firmly rejected for their encroachment on personal liberty and government largess

(B) The pursuit of American Clean Energy be defined in technology neutral terms so that government doesn't pick winners and losers in the economy and--

a. achieve further emissions reductions;
b. affirm a commitment to innovation and protecting the intellectual property of American innovators
c. position the United States as a global leader in clean energy, driving global investment in American-made clean energy technologies;

d. reduce and modernize regulations to speed deployment of clean energy technologies nationwide and worldwide;
e. empower individuals, States, and the marketplace to invest in, procure, and implement clean energy technologies; and take voluntary measures to reduce greenhouse gas emissions

(C) This definition and approach to American Clean Energy is consistent with the principles of limited government, free markets and federalism

MODEL POLICY ON HEMP AND CBD PRODUCTION AND SALE

SUMMARY:

The model policy would legalize the agricultural production and sale of hemp as well as Cannabidiol oil, commonly known as CBD oil. This policy does not legalize marijuana. The policy sets a 0.3 limit for tetrahydrocannabinol in hemp and a 0.0 limit for CBD for both products to be sold legally.

BE IT ENACTED BY THE LEGISLATURE:

NEW SECTION. Sec. 1. The legislature intends to:

(1) Authorize and establish a new licensing and regulatory program for hemp production in this state in accordance with the agriculture improvement act of 2018; and

(2) Authorize the growing of hemp as a legal, agricultural activity in this state. Hemp is an agricultural product that may be legally grown, produced, processed, possessed, transferred, commercially sold, and traded. Hemp and processed hemp produced in accordance with this chapter or produced lawfully under the laws of another state, tribe, or country may be transferred and sold within the state, outside of this state, and internationally. Nothing in this chapter is intended to prevent or restrain commerce in this state involving hemp or hemp products produced lawfully under the laws of another state, tribe, or country.

NEW SECTION. Sec. 2. The definitions in this section apply throughout this chapter unless the context clearly requires otherwise.

(1) "Agriculture improvement act of 2018" means sections 7605, 10113, 10114, and 12619 of the agriculture improvement act of 2018, P.L. 115-334.

(2) "Crop" means hemp grown as an agricultural commodity.

(3) "Cultivar" means a variation of the plant Cannabis sativa L. that has been developed through cultivation by selective breeding.

(4) "Department" means the state department of agriculture.

(5) "Hemp" means the plant Cannabis sativa L. and any part of that plant, including the seeds thereof and all derivatives, extracts, cannabinoids, isomers, acids, salts, and salts of isomers, whether growing or not, with a delta-9 tetrahydrocannabinol concentration of not more than 0.3 percent on a dry weight basis.

(6)

(a) "Industrial hemp" means all parts and varieties of the genera Cannabis, cultivated or possessed by a grower, whether growing or not, that contain a tetrahydrocannabinol concentration of 0.3 percent or less by dry weight.

(b) "Industrial hemp" does not include plants of the genera Cannabis that meet the definition of "marijuana".

(7) "Postharvest test" means a test of delta-9 tetrahydrocannabinol concentration levels of hemp after being harvested based on:

(a) Ground whole plant samples without heat applied; or

(b) Other approved testing methods.

(8) "Process" means the processing, compounding, or conversion of hemp into hemp commodities or products.

(9) "Produce" or "production" means the planting, cultivation, growing, or harvesting of hemp including hemp seed.

NEW SECTION. Sec. 3.

(1) The department must develop an agricultural commodity program in accordance with the agriculture improvement act of 2018.

(2) The department has sole regulatory authority over the production of hemp and may adopt rules to implement this chapter.

NEW SECTION. Sec. 4.

(1) The department must develop the state's hemp plan to conform to the agriculture improvement act of 2018, to include consultation with the governor and the attorney general and the plan elements required in the agriculture improvement act of 2018.

(2) Consistent with subsection (1) of this section, the state's hemp plan must include the following elements:

(a) A practice for hemp producers to maintain relevant information regarding land on which hemp is produced, including a legal description of the land, for a period of not less than three calendar years;

(b) A procedure for testing, using postdecarboxylation or other similarly reliable methods, delta-9 tetrahydrocannabinol concentration levels of hemp, without the application of heat;

(c) A procedure for the effective disposal of plants, whether growing or not, that are produced in violation of this chapter, and products derived from such plants;

(d) A procedure for enforcement of violations of the plan and for corrective action plans for licensees as required under the agriculture improvement act of 2018;

(e) A procedure for conducting annual inspections of, at a minimum, a random sample of hemp producers to verify hemp is not produced in violation of this chapter; and

(f) A certification that the state has the resources and personnel to carry out the practices and procedures described in this section.

(3) The proposal for the state's plan may include any other practice or procedure established to the extent the practice or procedure is consistent with the agriculture improvement act of 2018.

(4) Hemp and processed hemp produced in accordance with this chapter or produced lawfully under the laws of another state, tribe, or country may be transferred and sold within this state, outside of this state, and internationally.

(5) The whole hemp plant may be used as food. The department shall regulate the processing of hemp for food products, that are allowable under federal law, in the same manner as other food processing under and may adopt rules as necessary to properly regulate the processing of hemp for food products including, but not limited to, establishing standards for creating hemp extracts used for food.

NEW SECTION. Sec. 5.

The department must develop a postharvest test protocol for testing hemp under this chapter that includes testing of whole plant samples or other testing protocol identified in regulations established by the United States department of agriculture, including the testing procedures for delta-9 tetrahydrocannabinol concentration levels of hemp produced by producers under the state plan.

NEW SECTION. Sec. 6.

(1) The department must issue hemp producer licenses to applicants qualified under this chapter and the agriculture improvement act of 2018. The department may adopt rules pursuant to this chapter as necessary to license persons to grow hemp under a commercial hemp program.

(2) The plan must identify qualifications for license applicants, to include adults and corporate persons and to exclude persons with felony convictions as required under the agriculture improvement act of 2018.

(3) The department must establish license fees in an amount that will fund the implementation of this chapter and sustain the hemp program. The department may adopt rules establishing fees for tetrahydrocannabinol testing, inspections, and additional services required by the United States department of agriculture. License fees and any money received by the department under this chapter must be deposited in the hemp regulatory account created in section 8 of this act.

NEW SECTION. Sec. 7.

A person producing hemp pursuant to this chapter must notify the department of the source of the hemp seed or clones solely for the purpose of maintaining a record of the sources of seeds and clones being used or having been used for hemp production in this state. Hemp seed is an agricultural seed.

NEW SECTION. Sec. 8.

The hemp regulatory account is created in the custody of the state treasurer. All receipts from fees established under this chapter must be deposited into the account. Expenditures from the account may be used only for implementing this chapter. Only the director of the state department of agriculture or the director's designee may authorize expenditures from the account. The account is subject to allotment procedures, but an appropriation is not required for expenditures.

NEW SECTION. Sec. 9.

(1) There is no distance requirement, limitation, or buffer zone between any licensed hemp producer or hemp processing facility licensed or authorized under this chapter and any marijuana producer or marijuana processor. No rule may establish such a distance requirement, limitation, or buffer zone without the evaluation of sufficient data showing impacts to either crop as a result of cross-pollination.

(2) Notwithstanding subsection (1) of this section, in an effort to prevent cross-pollination between hemp plants produced under this chapter and marijuana plants, the department must review the state's policy regarding cross-pollination and pollen capture to ensure an appropriate policy is in place, and must modify policies or establish new policies as appropriate. Under any such policy, when a documented conflict involving cross-pollination exists between two farms or production facilities growing or producing hemp or marijuana, the farm or production facility operating first in time shall have the right to continue operating and the farm or production facility operating second in time must cease growing or producing hemp or marijuana, as applicable.

NEW SECTION. Sec. 10.

(1) The department must use expedited rule making to adopt the state hemp plan submitted to the United States department of agriculture. As allowed under this section, rule making by the department to adopt the approved hemp plan qualifies as expedited rule making. Upon the submittal of the plan to the United States department of agriculture, the department may conduct initial expedited rule making to establish rules to allow hemp licenses to be issued without delay.

(2) On the effective date of rules adopted by the department regulating hemp production, a licensed hemp producer under this chapter may immediately produce hemp with all the privileges of a hemp producer.

Sec. 11.

The definitions in this section apply throughout this chapter unless the context clearly requires otherwise.

(a) "Controlled substance" means a drug, substance, or immediate precursor included in Schedules I through V as set forth in federal or state laws, or federal or commission rules, but does not include hemp or industrial hemp as defined in ((RCW 15.120.010)) section 2 of this act.

(b) "Marijuana" or "marihuana" means all parts of the plant Cannabis, whether growing or not, with a THC concentration greater than 0.3 percent on a dry weight basis; the seeds thereof; the resin extracted from any part of the plant; and every compound, manufacture, salt, derivative, mixture, or preparation of the plant, its seeds or resin. The term does not include:

(1) The mature stalks of the plant, fiber produced from the stalks, oil or cake made from the seeds of the plant, any other compound, manufacture, salt, derivative, mixture, or preparation of the mature stalks (except the resin extracted therefrom), fiber, oil, or cake, or the sterilized seed of the plant which is incapable of germination; or

(2) ((Industrial hemp as defined in RCW 15.120.010)) Hemp or industrial hemp as defined in section 2 of this act, seeds used for licensed hemp production.

Sec. 12.

Unless specifically excepted by state or federal law or regulation or more specifically included in another schedule, the following controlled substances are listed in Schedule I:

(30)(i) Tetrahydrocannabinols, meaning tetrahydrocannabinols naturally contained in a plant of the ((genus)) genera Cannabis (((cannabis plant))), as well as synthetic equivalents of the substances contained in the plant, or in the resinous extractives of the genera Cannabis, ((species,)) and/or synthetic substances, derivatives, and their isomers with similar chemical structure and pharmacological activity such as the following:

(((i))) (A) 1 - cis - or trans tetrahydrocannabinol, and their optical isomers, excluding tetrahydrocannabinol in sesame oil and encapsulated in a soft gelatin capsule in a drug product approved by the United States Food and Drug Administration;

(((ii))) (B) 6 - cis - or trans tetrahydrocannabinol, and their optical isomers;

(((iii))) (C) 3,4 - cis - or trans tetrahydrocannabinol, and its optical isomers; or

((iv))) (D) That is chemically synthesized and either:

(((a))) (I) Has been demonstrated to have binding activity at one or more cannabinoid receptors; or

(((b))) (II) Is a chemical analog or isomer of a compound that has been demonstrated to have binding activity at one or more cannabinoid receptors;

(Since nomenclature of these substances is not internationally standardized, compounds of these structures, regardless of numerical designation of atomic positions covered.)

(ii) Hemp and industrial hemp, as defined in section 2 of this act, are excepted from the categories of controlled substances identified under this section;

NEW SECTION. Sec. 13. Beginning on the effective date of this section:

(1) No law or rule related to certified or interstate hemp seeds applies to or may be enforced against a person with a license to produce or process hemp issued under this chapter; and

(2) No department or other state agency rule may establish or enforce a buffer zone or distance requirement between a person with a license or authorization to produce or process hemp under this chapter and a person with a license to produce or process marijuana. The department may not adopt rules without the evaluation of sufficient data showing impacts to either crop as a result of cross-pollination.

NEW SECTION. Sec. 14.

If any provision of this act or its application to any person or circumstance is held invalid, the remainder of the act or the application of the provision to other persons or circumstances is not affected.

NEW SECTION. Sec. 15.

This act is necessary for the immediate preservation of the public peace, health, or safety, or support of the state government and its existing public institutions, and takes effect immediately.

NEW SECTION. Sec. 17.

A new section is added to read as follows:

Any CBD product that has a THC concentration or content not exceeding 0.0 percent may be sold at retail by a person who is not a marijuana retailer and at a location that is not a retail outlet if:

(a) The product is intended for topical application, oral consumption, or inhalation, by humans, or for consumption by animals;

(b) The product is not a marijuana product; and

(c) The product is not a controlled substance.

ELECTRIC VEHICLE SUBSIDIES

GOOD INTENTIONS WITH BAD OUTCOMES

THE PROBLEM

Low and middle-income Arizonans are **subsidizing wealthier Arizonans who can afford more expensive electric vehicles.** A new Arizona government proposal would increase **subsidies for wealthier Arizonans by allowing public utility companies to pass on the costs of building charging stations to utility company customers** — including those who don't own or can't afford electric vehicles for themselves.

HERE'S WHY SUBSIDIES DON'T WORK

THEY'RE WASTEFUL

EVs provide a relatively small benefit.

For every **$17 spent on EV subsidies, Arizonans gain only $1** in benefits.

Electric car owners don't pay their fair share for the roads they drive on.

On average, **EV owners pay $500 less each year than non-EV owners** for road maintenance.

THEY'RE UNFAIR

Low-income people who can't afford to buy electric cars are subsidizing higher-income individuals.

More than **83% of federal EV subsidies go to households earning more than $100,000.**

THEY'RE UNNECESSARY

Arizona already has plenty of charging stations.

There is **already a charging station for every 12 electric cars in Arizona** - compared to the 249 gas-powered cars per gas pump.

Arizona already has plenty of electric vehicle subsidies.

EV owners **already get federal subsidies worth up to $7,500**, plus others from the state.

POLICY SOLUTIONS THAT ACTUALLY WORK

- **Promote free-market policies to encourage EV adoption.** Public utilities should reward off-peak charging to promote EV ownership.
- **Make the costs of charging stations a true user fee.** Public utilities should not be able to increase the utility bills of Arizonans to build charging stations that only benefit EV owners.
- **Encourage competition to lower costs of EV charging stations.** By encouraging more competition and avoiding crony capitalism, private companies will have an incentive to build more charging stations without unfairly increasing people's utility bills.

ECONOMIC RESEARCH CENTER at THE BUCKEYE INSTITUTE

ABOUT THE RESEARCH:

It Ain't Easy Being Green: A Cost-Benefit Analysis of Electric Vehicles in Arizona was authored by the Economic Research Center. The research was conducted using a cost-benefit analysis developed by economists at the Economic Research Center that analyzes the private and social costs and benefits associated with vehicle ownership in Arizona.

ARIZONA free enterprise CLUB